

RESULTS OF HUMAN RESOURCE DEVELOPMENT EVALUATION IN FURNITURE TRADE COMPANIES OF LITHUANIAN

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The future success of each organization is dependent on the continual and better understanding of its goals and its needs. Not only individuals have to acknowledge the need for performing in a way, which is useful to our economical organization, but also, each organization has to learn to reap the benefits of the employees' education.

This paper considers human resource development system evaluation based on qualitative methods in Lithuania furniture industry.

The paper starts from theoretical background of human resource development evaluation describing human resource development evaluation directions. Next, methodology of human resource development evaluation based on qualitative criteria is provided. Later, analysis of the results of human resource development evaluation in Lithuania furniture industry is given. And finally, discussion and conclusions are shown.

Human resource development, human resource development evaluation, Lithuania furniture companies.

Introduction

Human resource (HR) development is important only to that degree to which they help to cultivate purposefully enterprises and their employees, organize purposeful selection of the personnel, its allocation, and work with employees, involved into substitution plan. Human resource development in human resource management plays a very important role. Dessler, 1994; Odegov and Zhuravliov, 1997; Sakalas, 1996 and other authors distinguish HR development as one of the activities of HR management. However, despite this, there are differences of opinion.

Human resource development is not only theoretical problem. Today this problem is topical also to the developing organization, which at today their stage of growth have felt that it is necessary to establish regular human resource development system.

The aim of the research – taking into account requirements raised to human resource development, to prepare model of the human resource development system evaluation, focused on qualitative evaluation methods and to review it in one industry of Lithuania.

The purpose of this research is to assess human resource development system in one industry. Lithuania furniture trade companies were selected for this survey.

While investigating the problematic of human resource development system evaluation, seeking for this research goals and solving its tasks the following

methods are used: *scientific literature* analysis in Lithuanian, English, Russian and Germany; *logical analysis*; *questionnaire* by carrying out human resource development system evaluation analysis in Lithuania furniture enterprises; *mathematical – statistical methods*, by validating analysis statistical selection methods, analysis tool validity and representativeness and processing research results. The data was assessed using Statistical Package for Social Sciences (SPSS 13.0) for Windows.

Human Resource Development Evaluation Directions

HR development is not an issue of a regulated system but rather an issue of approach. Having analysed the generalised opinions of various authors (Kumpikaitė, 2004) and formulated the requirements for HR development the authors distinguish the following directions of HR development system evaluation:

- ***The approach of the organization to HR development.***

In order for the HR development system to be effective, the approach of the organization to HR development should be positive, i.e., there should be a climate of learning. Strategies of the organization and HR development should be concordant. The organization should focus on continual changes and continual learning and should employ team-work methods (Barham, 1999; Soliman, Spooner, 2000; Thormhill, Saunders, 1998).

- ***Identification of development needs and awards in accordance with deserts.***

The HR development system will act effectively only when the need for this development is properly identified (Drucker, 2001; Sakalas, 1996; Amstrong, 1999 etc.). For the purposes of assessment, acceptance of the employees work performance should be eliminated. Furthermore, it is important that employees be rewarded in accordance with their deserts (Amstrong, 1999; Barham, 1999), this will be revealed by HR assessment as the employees develop.

- ***The functions of HR development (work of HR development service employees (performers)).***

The concept of "HR development function" covers HR development activity and processes, notwithstanding of who performs them (Harrison, 1999). The success of HR development system activity depends on HR development employees and their approach (Shekshnia, 2000; Harrison, 1999).

- ***HR development works and their evaluation.***

When evaluating any HR development system, it is necessary to elucidate the type of work, which is carried out by the organization. It is necessary to look at whether the training of new employees, organization of career and reserves, professional development and re-skilling are carried out and whether there is an adaptation system in the organization. However, wishing for an effective operation of system does not suffice; it is necessary to perform an evaluation of HR development process and to clarify whether employees have progressed and are accordingly promoted (Weighman, 1999; Garavan, 1998; Robbinson, 1999 etc.).

It is topical for the processes of training new employees, professional development, re-skilling and adaptation. More sophisticated processes are needed in evaluating career organization and reserves. The two processes are parallel, but it is impossible to evaluate them precisely, we can state only that the system does or does not work, and whether or not the employees and the organization are satisfied with this. Thus, according to the opinion of the author when evaluating the HR development system it is practical to distinguish these two processes.

Description of the research in Lithuania Furniture Companies

There are 55 questions in the questionnaire. For each criterion, depending on its nature and volume, evaluation unequal number of questions is chosen. They are conditionally divided into 5 groups. Open and close type questions are used in questionnaires. When evaluating HR development system, the questions are selected according to the agreement degree. When answers are 'Strongly agree' and 'Agree' or 'Yes', the evaluation is positive. According to such principle the total evaluation of the personnel development system and each individual question's group is calculated. Therefore measured values can vary from 0 to 100%.

The furniture trade enterprises for the research were selected due to large number of this industry enterprises, in which not less than 10 people work and their distribution in all regions (Lithuania regions: Economical and social development, 2001; Lithuania small and medium business status and development).

To analyze human resource development system in Lithuania furniture trade enterprises in Lithuania scale interviewing all enterprises all employees – this, is may be impossible work. Part of employees is on vacation or is ill, and also such work would require very much time and money. Thus such version of research was rejected at a blow. Taking into account Lithuania furniture trade enterprises distribution, all possible financial and time costs, it was decided to simplify research, evaluating human resource development system only according to official human resource development system indicators. In this research it was decided to do not analyze employees' satisfaction with human resource development system in enterprises. For the collection of data the method of survey by mail was chosen. It was decided to collect data by sending by one questionnaire, intended to human resource service employees, asking to fill in it person, responsible for human resource development in that enterprise.

Then we chose what and how much furniture trade enterprises will be analyzed. In table 1 distribution of furniture production enterprises according to employees number is given.

Table 1. Structure of Lithuania furniture trade enterprises

Enterprises	Number of hired employees									Total
	0	1-9	10-19	20-49	50-99	100-249	250-499	500-999	1000 and more	
AB, UAB, cooperative companies	-	159	46	58	18	20	6	2	0	309
Personal companies	173	159	26	13	1	0	0	0	0	372

Made according to Main indicators of small, medium and large enterprises. – Vilnius: Statistics department, 2000.

Enterprises, in which work up to 9, made the largest part of the furniture trade enterprises (among personal enterprises only 10.7% made those in which work more than 10 people). Usually in those enterprises only the most necessary human resource development works are carried out, they are little formalized, thus in them it is difficult to find formalized human resource development system. Therefore it was decided to select joint-stock companies producing furniture. According to the catalogue Entire Lithuania 2003 in Lithuania in beginning of year 2003 there were 273 joint-stock companies producing furniture. Enterprises addresses were revised by publication Entire Lithuania 2003. Having rejected enterprises in which work up to 10 and from which we do not expect response, 114 furniture enterprises remain, which made sample of our research and for which questionnaires were sent by post. Analysis was carried out in May –August of 2003. 11 letters returned as not known addressee. 34 questionnaires were suitable for analysis; this makes 33% of sent questionnaires.

Research results

By cluster analysis hierarchies joining Ward method enterprises were grouped into five groups according received human resource development system evaluation. In table 2 enterprises number distribution according to the calculated human resource development system assessment and defined groups in different regions is given.

From 34 furniture enterprises participated in research, 9 enterprises human resource development system assessment up to 25% positive responses, 10 enterprises – 26–40%, 9 enterprises – 41–55%, 4 enterprises – 56–70% and 3 enterprises – 71%. and more. The fifth, the best human resource development system group achieved enterprises are in Kaunas and Klaipėda regions. As we see, the most number of enterprises participated in the research from Kaunas (10) and Vilnius (9) regions, any enterprise from Tauragė, Telšiai and Utena regions. In order to make more comprehensive analysis, enterprises according to the regions were grouped to three regions: 1. Klaipėda, Telšiai, Tauragė and Šiauliai regions (11 en-

terprises), 2. Kaunas, Marijampolė and Alytus regions (12 enterprises) and 3. Panevėžys, Utena and Vilnius regions (11 enterprises).

Table 2. Distribution of analyzed furniture trade enterprises number according to the human resource development system evaluation in the regions

Region	Human resource development system evaluation					Total number of enterprises
	Up to 25%	26-40%	41-55%	56-70%	71% and more	
Alytus	-	-	1 (100.0%)	-	-	1
Kaunas	2 (20%)	2 (20%)	2 (20%)	2 (20%)	2 (20%)	10
Klaipėda	1 (20.0%)	2 (40.0%)	1 (20.0%)	-	1 (20.0%)	5
Marijampolė	1 (100.0%)	-	-	-	-	1
Panevėžys	1 (50.0%)	-	-	1 (50.0%)	-	2
Šiauliai	3 (60.0%)	2 (40.0%)	-	-	-	5
Tauragė	-	-	1 (100.0%)	-	-	1
Telšiai	-	-	-	-	-	0
Utena	-	-	-	-	-	0
Vilnius	1 (11.1%)	3 (33.3%)	4 (44.4%)	1 (11.1%)	-	9
Total:	9 (26.5%)	9 (26.5%)	9 (26.5%)	4 (11.8%)	3 (8.8%)	34

According to cluster analysis three groups of enterprises are defined: enterprises, in which work up to 25 employees (11 enterprises), enterprises, in which work from 26 to 100 employees (11), enterprises, in which work more than 100 employees (12). Statistically weak relation between *enterprise size and regions is defined* (hypothesis $1H_1$ is proved) (*Spirmen* correlation coefficient – 0,354, when significance level $p=0.05$).

Having calculated general Lithuania furniture trade enterprises statistical indicators, received average is 40.63%. Results differ from 6.56% to 81.97% (calculated median is equal to 38.52 and mode 19.67). This shows very different level of enterprises. Therefore it was decided to analyze calculated human resource development system evaluation dependence on number of employees.

The most actual results are expected when analyzing enterprises according to received evaluation of human resource development system depending on number of employees (see Figure 1).

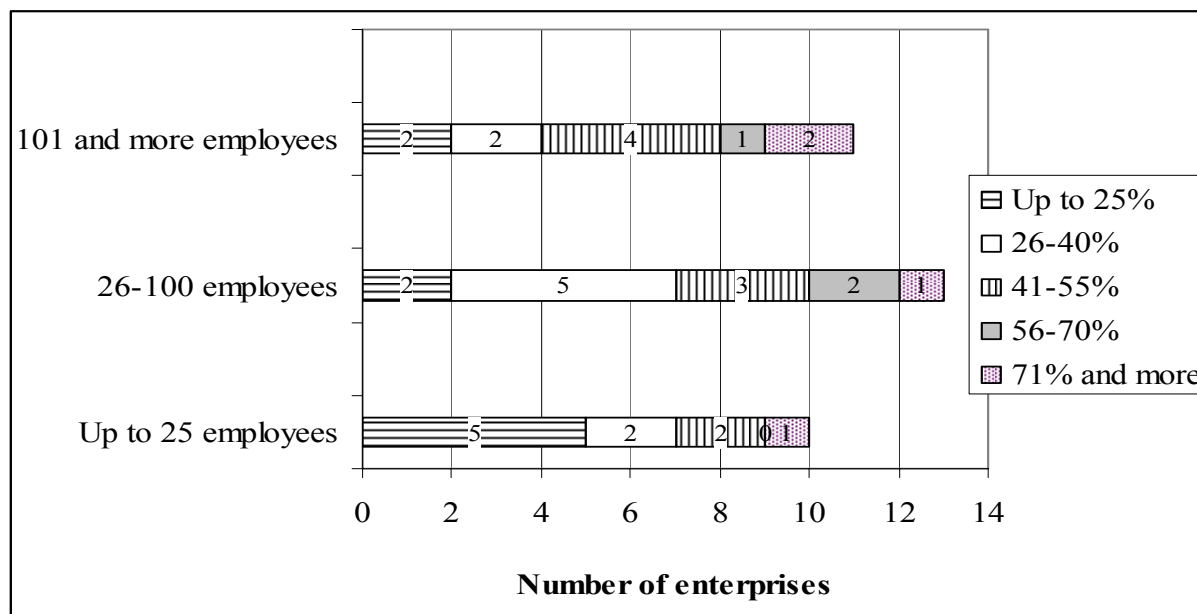


Figure 1. Distribution of the number of analysed Lithuania furniture industry enterprises in accordance with distinguished groups of human resource development evaluation

During the research hypotheses were examined and the following results were received:

- the average strength relation (0.475) between enterprise size and human resource development system evaluation is defined when analysing Lithuania furniture industry enterprises, when magnitude is $p=0.01$;
- the average strength (0.422) linear relation between money allotted to one employee development and human resource development system evaluation of that enterprise was defined, when magnitude is ($p=0.05$);
- the more days are allotted for one employee development, the higher human resource development system assessment of that enterprise – hypothesis has proved, the average strength (0.454) linear relation between variables is defined, when magnitude is ($p=0.05$);
- the higher average salary in enterprise, the higher human resource development system assessment of that enterprise – hypothesis has unproved. The last result allows saying that attention paid to personnel development does not always depend on the success of enterprise activity (higher or lower salary reflects this indicator).

Discussion and Conclusions

Trends of distribution show that percent of the most part of enterprises human resource development system evaluation positive answers do not achieve 50. Therefore human resource development system in Lithuania furniture industry needs to

be improved to be successful and competitive. Human resource development is one of possible solutions to organisational and individual performance problems.

In small enterprises one employee most often solves human resource development problems, combining this function with carrying out of other functions, therefore here we face alternative to pass part of human resource development works to specialised organisations or do not carry out part of works, to rely the intuition of manager.

Conducted scientific and practical research and received results allowed formulation of further scientific empirical research directions:

- Using proposed model to evaluate human resource development system in enterprises of different industries and activities. This is opportunity to define in what industries human resource development activity is better developed.
- To carry out evaluation of human resource development system with respect to time, to observe and analyse its dynamics.
- To formulate practical recommendations for improvement of human resource development system, following the received results of research.

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ŽMONIŲ IŠTEKLIŲ UGDYMO VERTINIMO REZULTATAI LIETUVOS BALDŲ PRAMONĖS ĮMONĖSE

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Santrauka

Straipsnyje pateikiami žmonių išteklių ugdymo sistemos vertinimo Lietuvos baldų pramonės įmonėse rezultatai ir jų analizė. Gautieji rezultatai rodo, kad žmonių išteklių ugdymo sistema Lietuvos baldų pramonės įmonėse yra išvystyta labai nevienodai. Nustatyta, kad kuo daugiau įmonė skiria lėšų ir laiko vieno darbuotojo ugdymui bei kuo daugiau organizacijoje yra darbuotojų, tuo tos įmonės žmonių išteklių ugdymo sistemos vertinimas yra aukštesnis. Tačiau bendroji tendencija rodo, kad žmonių išteklių ugdymo sistema Lietuvos baldų pramonės įmonėse yra gana žemo lygio ir turėtų būti gerokai tobulinama.

Žmonių išteklių ugdymas, žmonių išteklių ugdymo vertinimas, Lietuvos baldų pramonės įmonės.